

CITY OF SPRINGDALE
Committee Agendas
Monday, October 14th, 2019
Multi-Purpose Room
City Administration Building
Meetings begin at 5:30 P.M.

Ordinance Committee by Chairman Mike Overton:

1. **A Discussion** regarding Bulky Waste pickup. Presented by Mike Overton.

Health, Sanitation and Property Maintenance Committee by Chairman Brian Powell:

2. **A Resolution** setting a Public Hearing Date, Pursuant to ARK. Code Ann. §14-235-223, on a proposed ordinance establishing and setting rates for sanitary sewer service in the City of Springdale, Arkansas. Resolution presented by Heath Ward, Rick Pulvirenti, and Terry Phillips. Pg. 2 - 7
3. **A Discussion** regarding repealing Ordinance No. 4951; establishing water rates to be charged by the City of Springdale; and for other purposes. Pg. 8 & 9

Street and Capital Improvements Committee by Chairman Rick Evans:

4. **A Resolution** authorizing the City Attorney to settle a condemnation lawsuit wherein Eric R. Cullins and Nancy V. Cullins, Trustees of the Nancy V. Baur Living Trust are defendants. Easements located at 303, 305, 309 East Maple Ave. and 400 Robert Circle. Resolution presented by Ernest Cate, City Attorney. Pg. 10 - 18
5. **A Resolution** authorizing the execution of a construction contract for the extension of Maple Avenue – Project No. B18BPS2. Resolution presented by Brad Baldwin, Public Works Director. Pg. 19 -21

Parks and Recreation Committee by Chairman Mike Lawson:

6. **A Discussion** regarding Luther George Park. Presented by Jill Dabbs, Executive Director of Downtown Springdale Alliance.
7. **A Resolution** authorizing the execution of a construction manager contract for Parks and Recreation Center Remodel Project No. CP 1904. Presented by Chad Wolf, Parks and Recreation Director and Wyman Morgan, Financial Services Director. Pg. 22 & 23

Finance Committee by Chairman Jeff Watson:

8. **A Resolution** authorizing the purchase of property located at 418 Spring Street, Springdale, Washington County, Arkansas, owned by David Moran. Item presented by Wyman Morgan, Financial Services Director. Pg. 24 - 30

RESOLUTION NO. _____

**A RESOLUTION SETTING A PUBLIC HEARING DATE,
PURSUANT TO ARK. CODE ANN. §14-235-223, ON A
PROPOSED ORDINANCE ESTABLISHING AND SETTING
RATES FOR SANITARY SEWER SERVICE IN THE CITY
OF SPRINGDALE, ARKANSAS.**

WHEREAS, the City of Springdale, Arkansas, has found it necessary to consider an increase in sanitary sewer rates in order to maintain the operation and maintenance of wastewater facilities, and to provide the revenue required for future expansion and improvements to the city's wastewater facilities;

WHEREAS, attached hereto as Exhibit "A" and incorporated herein by reference is a proposed ordinance, entitled "An Ordinance Establishing and Setting Rates for Sanitary Sewer Service; Repealing Ordinance 4950, and Pertaining to Other Matters Relating Thereto" ("the Ordinance"), which is hereby introduced for consideration by the City Council for the City of Springdale, Arkansas;

WHEREAS, Ark. Code Ann. §14-235-223 provides that no sewer rates or charges shall be established until after a public hearing, at which all the users of the works and owners of property served or to be served by them and others interested shall have opportunity to be heard concerning the proposed sewer rates or changes; and

WHEREAS, Ark. Code Ann. §14-235-223 provides that after the introduction of the Ordinance, and before the enactment of the Ordinance, that notice of the public hearing, setting forth the proposed schedule of the rates or charges, shall be given by one (1) publication in a newspaper published in or having general circulation in the municipality at least ten (10) days before the date fixed for the public hearing.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL FOR THE CITY OF SPRINGDALE, ARKANSAS, that November 12, 2019, at 6:00 p.m. be set as the date and time for the City Council to hold a public hearing on the Ordinance; that the City Clerk shall give notice of the date and time of the public hearing as required by Ark. Code Ann. §14-235-223; and such notice shall also contain the proposed schedule of the rates or charges contained in the Ordinance.

PASSED AND APPROVED this 22nd day of October, 2019.

Doug Sprouse, Mayor

ATTEST:

Denise Pearce, CITY CLERK

APPROVED AS TO FORM:

Ernest B. Cate, CITY ATTORNEY

ORDINANCE NO. _____

AN ORDINANCE ESTABLISHING AND SETTING RATES FOR SANITARY SEWER SERVICE; REPEALING ORDINANCE 4950, AND PERTAINING TO OTHER MATTERS RELATING THERETO.

WHEREAS, the City of Springdale has found it necessary to increase sanitary sewer rates in order to maintain the operation and maintenance of wastewater facilities and to provide the revenue required for future expansion and improvements to the city's wastewater facilities;

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SPRINGDALE, ARKANSAS:

SECTION 1: That Ordinance No. 4950 of the City of Springdale, Arkansas is hereby specifically repealed as of the effective date of the schedule herein established and that all other ordinances and parts of ordinances establishing schedules of rates for sanitary sewer supplied or to be supplied by Springdale Water Utilities are also repealed.

SECTION 2: That all customers whose premises are connected to and use the sanitary sewer system of the City of Springdale, or whose premises are in any way served by the Springdale sanitary sewer system are hereby classified as Domestic or Industrial Users. A Domestic User is defined as a user whose wastewater from residential property flows into and is treated by the Springdale sanitary sewer system. An Industrial User is defined as a user whose liquid waste from commercial, industrial, manufacturing, processing, trade or business, except domestic waste, that flows into and is treated by the Springdale sanitary sewer system.

SECTION 3: That the following schedule of rates are hereby established for sanitary sewer service furnished by the City of Springdale Water and Sewer Commission. The charges for all sewer collection and treatment shall be determined each month in accordance with Schedule (A) below. In addition, Industrial Users are subject to monthly surcharges for excessive Biochemical Oxygen Demand (BOD) and Total Suspended Solids (TSS) as established in Schedule (B) below.

SCHEDULE A:

The following charges shall be based on water metered, or approved direct sewer meters, for each Domestic and Industrial User, except as otherwise specifically provided below in Section 5 paragraph (b). The following monthly rates are hereby fixed as rates to be charged for sewer service and shall become effective for sewer services billed on or after January 1, 2020.

Inside City:		1/01/20	10/01/20	10/01/21	10/01/22	10/01/23
Minimum	1,500 Gallons	\$10.00	\$10.30	\$10.60	\$10.90	\$11.20
Next	23,500 Gallons	\$ 3.37	\$ 3.57	\$ 3.77	\$ 3.97	\$ 4.17
Next	225,000 Gallons	\$ 3.33	\$ 3.53	\$ 3.73	\$ 3.93	\$ 4.13
Next	350,000 Gallons	\$ 3.24	\$ 3.44	\$ 3.64	\$ 3.84	\$ 4.04
Next	400,000 Gallons	\$ 3.11	\$ 3.31	\$ 3.51	\$ 3.71	\$ 3.91
All Over 1,000,000 Gallons		\$ 2.96	\$ 3.16	\$ 3.36	\$ 3.56	\$ 3.76

Outside City:		1/01/20	10/01/20	10/01/21	10/01/22	10/01/23
Minimum	1,500 Gallons	\$11.25	\$11.55	\$11.85	\$12.15	\$12.45
Next	23,500 Gallons	\$ 3.68	\$ 3.88	\$ 4.08	\$ 4.28	\$ 4.48
Next	225,000 Gallons	\$ 3.60	\$ 3.80	\$ 4.00	\$ 4.20	\$ 4.40
Next	350,000 Gallons	\$ 3.47	\$ 3.67	\$ 3.87	\$ 4.07	\$ 4.27
Next	400,000 Gallons	\$ 3.44	\$ 3.64	\$ 3.84	\$ 4.04	\$ 4.24
All Over 1,000,000 Gallons		\$ 3.06	\$ 3.26	\$ 3.46	\$ 3.66	\$ 3.86

SCHEDULE B:

All Industrial Users are subject to an additional monthly sewer service charge (surcharge) to defray the long or short term costs associated with the treatment of high strength wastewater.

Monthly average discharges of Biochemical Oxygen Demand (BOD) of 289 mg/L and Total Suspended Solids (TSS) of 300 mg/L shall not be exceeded without incurring a surcharge.

- (a) A surcharge shall be added to the monthly sewer bill of any Industrial User whose wastewater discharge exceeds the allowable base established herein. Such surcharge shall be calculated using the following formula:

FORMULA FOR CALCULATING SURCHARGES:

$$S = V_{ww} \times 8.34 [Y (TSS - 300) + Z (BOD - 289)]$$

Where:

S	=	Surcharge in Dollars (monthly)
V _{ww}	=	Volume wastewater in million gallons (monthly)
8.34	=	Pounds per gallon of water
Y	=	Unit charge of TSS in dollars per pound
TSS	=	Total Suspended Solids strength index in milligrams per liter by weight (300 mg/L or more)
300	=	Maximum TSS strength in milligrams per liter by weight
Z	=	Unit charge for BOD in dollars per pound
BOD	=	Five day Biochemical Oxygen Demand strength index in milligrams per liter by weight (289 mg/L or more)
289	=	Maximum BOD strength in milligrams per liter

Current charges for Y = \$0.547

Current charges for Z = \$0.330

- (b) The Springdale Water and Sewer Commission is authorized to suspend part or all of the surcharge based upon preapproved authorization to make scheduled repairs or installation of equipment.
- (c) The current unit charge for Total Suspended Solids (Y) and the current unit charge for Biochemical Oxygen Demand (Z), as listed above, shall remain effective for sewer service billed. The Springdale Water and Sewer Commission shall review annually on a fiscal year basis the actual cost of treating high strength waste and shall increase or decrease the unit charge for Y and Z of the Formula for Calculating Surcharges in accordance with the finding of such review.

SECTION 4: That no free facilities or sewer services shall be furnished. In the event that the city or any department, agency or instrumentality thereof shall avail itself of the facilities or services afforded by the sanitary sewer service of the City of Springdale, the reasonable value of the service or facilities so afforded shall be charged against the city or such department, agency or instrumentality and shall be paid for as the charges therefore accrue at industrial rates.

SECTION 5: That the above schedule of rates be, and they are hereby fixed as rates to be charged for services to be rendered and benefits to be received from the wastewater collection and treatment facilities, to-wit:

- (a) All bills for sewage collection and treatment shall be rendered to the user monthly, such statements to be rendered and collected by the City of Springdale, and shall cover the same period and collection procedures as corresponding water bills. All bills shall be rendered in the net amount due and the charge shall be determined by each thousand gallons of water, or portion thereof, furnished to each user.
- (b) The gallonage of sewage collected and treated shall be based on water metered to each Domestic and Industrial User, exclusive of seasonal water and other water uses metered separately which do not directly or indirectly discharge flows into the sanitary sewer system. Direct sewer meters may also provide monthly treatment if approved in advance by Springdale Water Utilities.
- (c) All users shall be connected to the Springdale water system and the discharge of all liquid waste to the sanitary system shall be derived from metered water supplied by the City of Springdale. The discharge of seasonal water, storm water, surface water, groundwater, roof runoff, or water from other sources which are not metered for sewer charges are prohibited.

SECTION 6: Any user who feels that their user charge is unjust and inequitable may make written application to the business office of Springdale Water Utilities (the assumed name under which the Springdale Water and Sewer Commission does business) requesting a review of the user's charge. Said written request shall, where necessary, show the actual or estimated average flow and/or strength of the user's wastewater in comparison with the values upon which the charge is based, including how the measurements or estimates were made. Review of the request shall be made by the Office Manager or a designated representative of Springdale Water Utilities. If the user's request for an adjustment of the billing charges is substantiated, the sewer charges for that user may be adjusted in conformance with the adjustment policy of the Springdale Water and Sewer Commission. Billing adjustments shall be based on the revised flow and/or strength data.

SECTION 7: That if any section, sub-section, sentence, clause or phrase of this ordinance is for any reason declared unconstitutional or invalid, such unconstitutionality or invalidity shall not affect the validity of the remaining sections of this ordinance. This ordinance shall take precedence over any terms

or conditions or agreements or contracts which are inconsistent with the requirements of Section 204 (b) (1) (A) of the Clean Water Act, as amended or 40 CFR Part 35, Subpart I, Section 35.2140 promulgated by the United States Environmental Protection Agency on February 17, 1984.

SECTION 8: That the Springdale City Council, after investigation, finds that the above rates are reasonable and necessary rates to be charged for sewer service by the City of Springdale, Arkansas. The Council further specifically finds that said rates are sufficient to provide for the operation and maintenance of the Springdale sewer system and are necessary for the payment of principal and interest on bonds to be issued to finance sewer works construction and to expand such system as may from time to time be required, and to provide depreciation funds for replacement of the sewer system.

PASSED AND APPROVED THIS ____ DAY OF _____, 2019.

APPROVED:

DOUG SPROUSE, MAYOR

ATTEST:

DENISE PEARCE, CITY CLERK

APPROVED AS TO FORM:

ERNEST CATE, CITY ATTORNEY

RESOLUTION NO. 9-19

A RESOLUTION RECOMMENDING THE EXECUTION OF AN ORDINANCE REPEALING ORDINANCE NO. 4951; ESTABLISHING WATER RATES TO BE CHARGED BY THE CITY OF SPRINGDALE; AND FOR OTHER PURPOSES.

WHEREAS, the Springdale Water and Sewer Commission has recently completed and adopted a Water Master Plan detailing necessary infrastructure costs to the municipal water system, and

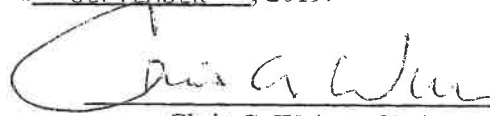
WHEREAS, current levels of income shall be insufficient to accomplish necessary water infrastructure improvements without additional methods of financing, and

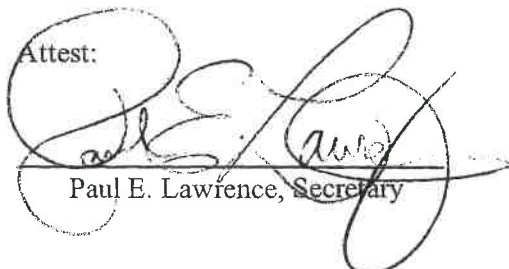
WHEREAS, the Springdale Water and Sewer Commission has found that it is necessary to increase water rates because of progressive cost advances in water purchases, general operating expenses, and capital improvements; and

WHEREAS, the Springdale Water and Sewer Commission does hereby recommend that the minimum bill be increased and a general water rate increase of \$0.20 per thousand gallons per year for the next five (5) years be added to the existing water rate structure as reflected in Ordinance No. 4951;

NOW THEREFORE BE IT RESOLVED that the Water and Sewer Commission of the City of Springdale, Arkansas does hereby recommend to the City Council of the City of Springdale, Arkansas, the execution of an ordinance repealing Ordinance No. 4951; establishing water rates to be charged by the City of Springdale, and for other purposes. A copy of said proposed water rate ordinance is attached hereto and incorporated herein by this reference.

PASSED AND APPROVED this 25 day of SEPTEMBER, 2019.


Chris G. Weiser, Chair

Attest:

Paul E. Lawrence, Secretary

RESOLUTION NO. 10-19

A RESOLUTION RECOMMENDING THE EXECUTION OF AN ORDINANCE REPEALING ORDINANCE NO. 4950; ESTABLISHING RATES FOR SANITARY SEWER SERVICE TO BE CHARGED BY THE CITY OF SPRINGDALE; AND PERTAINING TO OTHER MATTERS RELATING THERETO.

WHEREAS, the Springdale Water and Sewer Commission has recently completed and adopted a Sewer Master Plan detailing necessary infrastructure costs to the municipal sewer collection and treatment system, and

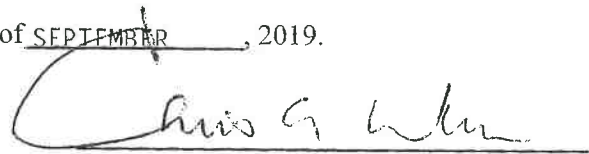
WHEREAS, current levels of income shall be insufficient to accomplish necessary sewer collection and treatment improvements without additional methods of financing,

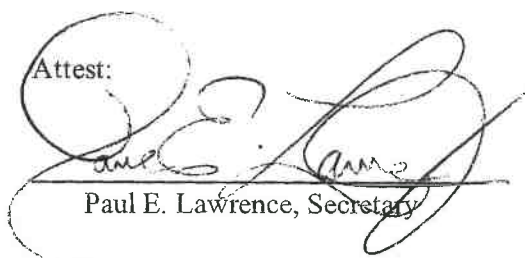
WHEREAS, the Springdale Water and Sewer Commission has found that it is necessary to increase sewer service rates because of progressive cost advances in collection and treatment costs, general operating expenses, and capital improvements;

WHEREAS, the Springdale Water and Sewer Commission does hereby recommend that the minimum bill be increased and a general sewer service rate increase of \$0.20 per thousand gallons per year for the next five (5) years be added to the existing sewer service rate structure as reflected in Ordinance No. 4950;

NOW THEREFORE BE IT RESOLVED that the Water and Sewer Commission of the City of Springdale, Arkansas does hereby recommend to the City Council of the City of Springdale, Arkansas, the execution of an ordinance repealing Ordinance No. 4950; establishing sewer service rates to be charged by the City of Springdale, and for other purposes. A copy of said proposed sewer service rate ordinance is attached hereto and incorporated herein by this reference.

PASSED AND APPROVED this 25 day of ~~SEPTEMBER~~, 2019.


Chris G. Weiser, Chair

Attest:

Paul E. Lawrence, Secretary

ORDINANCE NO. _____

AN ORDINANCE REPEALING ORDINANCE NO. 4951; ESTABLISHING WATER RATES TO BE CHARGED BY THE CITY OF SPRINGDALE; AND FOR OTHER PURPOSES.

WHEREAS, the City of Springdale has found that it is necessary to increase water rates because of progressive cost advances in water purchases, general operating expenses, and capital improvements;

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SPRINGDALE, ARKANSAS:

SECTION 1: That Ordinance No. 4951 of the City of Springdale, Arkansas is hereby specifically repealed and that all ordinances and parts of ordinances establishing schedules of rates for water to be supplied by Springdale Water Utilities are repealed as of the effective date of the schedule herein established.

SECTION 2: That the following schedule of rates is hereby established for water furnished by the Springdale Water and Sewer Commission. Except for public fire services, all water used shall be measured through meters. The size of each meter shall be determined by the Springdale Water and Sewer Commission commensurate with its estimate of the amount of water to be used for each premise. This schedule shall become effective for water billed on or after January 1, 2020.

(a) FOR EACH THOUSAND GALLONS OR PORTION THEREOF FURNISHED TO USERS, EXCLUSIVE OF SEASONAL WATER METERED SEPARATELY, THE FOLLOWING RATES SHALL APPLY TO THE AMOUNT OF WATER USED:

<u>Inside City:</u>		<u>1/01/20</u>	<u>10/01/20</u>	<u>10/01/21</u>	<u>10/01/22</u>	<u>10/01/23</u>
Minimum	1,500 Gallons	\$10.00	\$10.30	\$10.60	\$10.90	\$11.20
Next	23,500 Gallons	\$ 3.27	\$ 3.47	\$ 3.67	\$ 3.87	\$ 4.07
Next	225,000 Gallons	\$ 3.22	\$ 3.42	\$ 3.62	\$ 3.82	\$ 4.02
Next	350,000 Gallons	\$ 3.12	\$ 3.32	\$ 3.52	\$ 3.72	\$ 3.92
Next	400,000 Gallons	\$ 2.97	\$ 3.17	\$ 3.37	\$ 3.57	\$ 3.77
All Over	1,000,000 Gallons	\$ 2.80	\$ 3.00	\$ 3.20	\$ 3.40	\$ 3.60
<u>Outside City:</u>		<u>1/01/20</u>	<u>10/01/20</u>	<u>10/01/21</u>	<u>10/01/22</u>	<u>10/01/23</u>
Minimum	1,500 Gallons	\$11.75	\$12.05	\$12.35	\$12.65	\$12.95
Next	23,500 Gallons	\$ 3.62	\$ 3.82	\$ 4.02	\$ 4.22	\$ 4.42
Next	225,000 Gallons	\$ 3.52	\$ 3.72	\$ 3.92	\$ 4.12	\$ 4.32
Next	350,000 Gallons	\$ 3.37	\$ 3.57	\$ 3.77	\$ 3.97	\$ 4.17
Next	400,000 Gallons	\$ 3.22	\$ 3.42	\$ 3.62	\$ 3.82	\$ 4.02
All Over	1,000,000 Gallons	\$ 2.92	\$ 3.12	\$ 3.32	\$ 3.52	\$ 3.72

(b) FOR EACH THOUSAND GALLONS OF WATER OR PORTION THEREOF FURNISHED TO USERS WHO ARE OUTSIDE THE CITY LIMITS OF THE CITY OF SPRINGDALE, ARKANSAS, AND WITHIN THE SERVICE AREA PREVIOUSLY SERVICED BY THE WHITE RIVER RURAL WATER ASSOCIATION:

	<u>1/01/20</u>	<u>10/01/20</u>	<u>10/01/21</u>	<u>10/01/22</u>	<u>10/01/23</u>
Minimum (first 1,000 Gallons)	\$19.00	\$19.20	\$19.40	\$19.60	\$19.80
Next 4,000 Gallons	\$ 4.37	\$ 4.57	\$ 4.77	\$ 4.97	\$ 5.17
Next 5,000 Gallons	\$ 4.12	\$ 4.32	\$ 4.52	\$ 4.72	\$ 4.92
Next 10,000 Gallons	\$ 3.87	\$ 4.07	\$ 4.27	\$ 4.47	\$ 4.67
All Over 20,000 Gallons	\$ 3.62	\$ 3.82	\$ 4.02	\$ 4.22	\$ 4.42

(c) FOR EACH SEASONAL METER, A MINIMUM CHARGE SHALL BE BILLED FOR MONTHLY SERVICE BASED UPON THE CUSTOMER'S METER SIZE:

<u>Meter Size</u>	<u>Inside City</u>	<u>Outside City</u>
5/8" x 3/4"	\$ 2.50	\$ 3.50
1"	\$ 3.00	\$ 4.50
1-1/2"	\$ 4.50	\$ 7.00
2"	\$ 7.00	\$12.00
3"	\$10.50	\$19.00
4"	\$18.00	\$35.00
6"	\$37.00	\$74.00

(d) IN ADDITION TO THE MINIMUM MONTHLY CHARGE FOR SEASONAL WATER SERVICE, THE FOLLOWING RATES SHALL BE CHARGED FOR EACH THOUSAND GALLONS OF WATER OR PORTION THEREOF MEASURED THROUGH A SEASONAL METER:

	<u>1/01/20</u>	<u>10/01/20</u>	<u>10/01/21</u>	<u>10/01/22</u>	<u>10/01/23</u>
Inside City	\$ 3.24	\$ 3.44	\$ 3.64	\$ 3.84	\$ 4.04
Outside City	\$ 3.54	\$ 3.74	\$ 3.94	\$ 4.14	\$ 4.34

SECTION 3: The schedule of rates set forth above in Section 2 does not apply to special contracts which are deemed to be contracts for the sale of bulk water to neighboring communities and entities operating public water systems, except where said contracts specifically incorporate the schedule of rates set forth above.

SECTION 4: Any charge incurred by the Springdale Water and Sewer Commission pursuant to the Safe Drinking Water Act or other federal or state legislation, shall be added to the foregoing schedule of rates.

SECTION 5: The City Council finds that the forgoing schedule of rates is required to provide the funds necessary to provide depreciation funds for replacement or repairs of the water system, to provide sufficient revenue for the reasonable operation and maintenance expenses of the water system, and to provide ample reserves for future capital improvements.

SECTION 6: This ordinance shall not affect meter deposits to be maintained by the Springdale Water and Sewer Commission, which deposits shall be established and maintained in accordance with the policies of the Springdale Water and Sewer Commissions; and by state law.

SECTION 7: The provisions of this Ordinance are separable, and if any portion, section, provision or phrase of this Ordinance shall be declared invalid or unconstitutional, such action shall not affect the validity of the remainder of this Ordinance.

PASSED AND APPROVED THIS ____ DAY OF _____, 2019.

APPROVED:

DOUG SPROUSE, MAYOR

ATTEST:

DENISE PEARCE, CITY CLERK

APPROVED AS TO FORM:

ERNEST CATE, CITY ATTORNEY

RESOLUTION NO. _____

**A RESOLUTION AUTHORIZING THE CITY ATTORNEY
TO SETTLE A CONDEMNATION LAWSUIT WHEREIN
ERIC R. CULLINS AND NANCY V. CULLINS,
TRUSTEES OF THE NANCY V. BAUR LIVING TRUST
ARE DEFENDANTS.**

WHEREAS, the City of Springdale has filed a lawsuit against Eric R. Cullins and Nancy V. Cullins, Trustees of the Nancy V. Baur Living Trust, to condemn easements across four (4) tracts of land located at 303, 305, 309 East Maple Avenue, and 400 Robert Circle for the Maple Avenue Extension (Project 18BPS2);

WHEREAS, the City of Springdale deposited the sum of \$4,400.00 into the Registry of the Court as estimated just compensation for the easements across the subject properties;

WHEREAS, the property owners have provided an appraisal for the properties, and other supporting documentation, to support an offer to settle the condemnation lawsuit for the total sum of \$10,000.00;

WHEREAS, it is the recommendation of the City Attorney that the City Council approve the additional sum of \$5,600.00 to settle this lawsuit, as this amount is reasonable, is justified, and will avoid the cost, expense, and risk of a trial;

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL FOR THE CITY OF SPRINGDALE, ARKANSAS, that the City Attorney is hereby authorized to settle the Nancy V. Baur Living Trust condemnation lawsuit for the total sum of \$10,000.00, with the amount of \$5,600.00 to be paid from the 2018 Street Bond Program (Maple Avenue Extension, Project 18PBS2).

PASSED AND APPROVED this ____ day of _____, 2019.

Doug Sprouse, Mayor

ATTEST:

Denise Pearce, CITY CLERK

APPROVED AS TO FORM:

Ernest B. Cate, CITY ATTORNEY

**WATKINS, BOYER,
GRAY & CURRY, PLLC**

ATTORNEYS AT LAW

WRITER'S DIRECT E-MAIL
bwatkins@watkinslawoffice.com

WILLIAM P. WATKINS, III, P.A.
RONALD L. BOYER, P.A.
JENNIFER E. GRAY, P.A.*
ANDREW T. CURRY, P.A.
WILLIAM A. KELLSTROM
JOHN E. JENNINGS (OF COUNSEL)
* ALSO LICENSED IN MISSOURI

DELYNN HALE, SECRETARY
AMY BENSON, PARALEGAL
WHITNEY DUCKER, OFFICE MANAGER

October 3, 2019

Mr. Ernest Cate
Springdale City Attorney
ecate@springdalear.gov

**Re: City v. Baur Living Trust, et al
Washington County No. 72CV-19-2092
Maple Avenue Extension
SETTLEMENT NEGOTIATIONS**

Dear Ernest:

Last week you and I discussed the possibility of settling this case with payment of total compensation to the Baur Living Trust (subject to the interests of Iberia Bank) in the amount of \$10,000.00. You asked for some evidence to support settlement in that amount and I am providing that here.

With this letter you will find (a) an appraisal from 2015, and (b) an offer received by my client in August of this year for the purchase of the subject properties (in a package with others in the same area). In analyzing these documents I have tried to arrive at a value for the raw land without the improvements on a per square foot basis.

Using the 2015 appraisal you get a value per lot of \$92,307.69. Using the offer received (and declined) back in August you get just shy of \$143,000.00 per lot. I think it is perfectly reasonable to assume that an offer that is 4 years more recent than an appraisal is a fair representation of fair market value.

The County assessor values the improvements on each lot at roughly \$29,000. For the sake of argument, being conservative, and accepting that the Assessor usually, in my experience, comes in low on valuations, let's assume that the improvements are really worth \$48,000 (just to pick a reasonable number). That leaves the value of the raw land at \$95,000 dollars per lot based on the offer received. Now, to calculate the value per square foot.

Using the data from the 2015 appraisal (which was for 13 lots) we get:

$\$95,000.00 \times 13 = \$1,235,000$ for all 13 lots

$\$1,235,000 \div 134,043 \text{ sq. ft of land (for all 13 lots taken from the 2015 appraisal)} = \$9.213/\text{sq. ft.}$

Mr. Ernest Cate
October 3, 2019
page 2

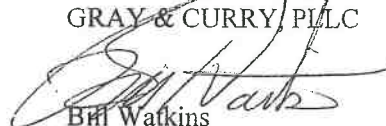
In this condemnation case the City is taking a permanent easement encompassing 1,117.29 sq. feet of my client's property. Using the above price per square foot we arrive at a value of \$10,293.59 just for the permanent easement and giving no value to the temporary construction easement.

Given the above analysis, which I have made as conservative as is reasonable, I think that my client's offer to settle for a total of \$10,000.00 is *very* fair to the City. If we were to try this matter I would first start by using the Assessor's value of the improvements which, as you have seen, is much lower than the figure I have plugged into my formula. This change alone would result in a much higher price per square foot.

I hope that we can resolve this in this manner. You have generously given me until October 11 to file an answer in this case. If you don't think you can obtain a determination of whether or not we can resolve this case in this matter before then I would ask that you grant me an additional extension of time. If you have any questions, please do not hesitate to contact me. Thanks.

Sincerely,

WATKINS, BOYER,
GRAY & CURRY, PLLC



Bill Watkins

BW:
Enclosures
pc: client via email

APPRAISAL REPORT

13 DUPLEXES

303 E Maple Ave, 305 E Maple Ave, 309 E Maple Ave., 302 Robert Cir., 303 Robert Cir., 304 Robert Cir., 305 Robert Cir., 307 Robert Cir., 400 Robert Cir., 402 Robert Cir., 403 Robert Cir., 405 Robert Cir. and 407 Robert Cir.

Springdale, Washington County, Arkansas 72764

CBRE, Inc. File No. 15-361HO-7234

Client Reference No. 15-006179-01-2

Gary Ray

IBERIA BANK

710 NW Evangeline Trwy

Lafayette, Louisiana 70501

www.cbre.com/valuation

CBRE

VALUATION & ADVISORY SERVICES



438 E. Millissip, Suite 204
Fayetteville, AR 72703

T 479-442-7401
F 479-442-7806

www.cbre.com

December 21, 2015

Gary Ray
IBERIA BANK
710 NW Evangeline Trwy
Lafayette, Louisiana 70501

RE: Appraisal of 13 Duplexes
303 E Maple Ave, 305 E Maple Ave, 309 E Maple Ave., 302 Robert Cir., 303 Robert Cir.,
304 Robert Cir., 305 Robert Cir., 307 Robert Cir., 400 Robert Cir., 402 Robert Cir., 403
Robert Cir., 405 Robert Cir. and 407 Robert Cir.
Springdale, Washington County, Arkansas 72764
CBRE, Inc. File No. 15-361HO-7234
Client Reference No. 15-006179-01-2

Dear Mr. Ray:

At your request and authorization, CBRE, Inc. has prepared an appraisal of the market value of the referenced property. Our analysis is presented in the following appraisal report.

The subject is a 26-unit multi-family property located at 303 E Maple Ave, 305 E Maple Ave, 309 E Maple Ave., 302 Robert Cir., 303 Robert Cir., 304 Robert Cir., 305 Robert Cir., 307 Robert Cir., 400 Robert Cir., 402 Robert Cir., 403 Robert Cir., 405 Robert Cir. and 407 Robert Cir., in Springdale, Arkansas. The property consists of 13 1-story duplexes. The improvements were constructed between 1986 and 1989 and are situated on non-contiguous lots totaling approximately 3.08-acres. Currently, the property is 100% occupied and is in fair to average overall condition. The subject is more fully described, legally and physically, within the enclosed report.

Based on the analysis contained in the following report, the market value of the subject is concluded as follows:

MARKET VALUE CONCLUSION			
Appraisal Premise	Interest Appraised	Date of Value	Value Conclusion
As Is	Leased Fee Interest	December 14, 2015	\$1,200,000
Compiled by CBRE			

The report, in its entirety, including all assumptions and limiting conditions, is an integral part of, and inseparable from, this letter.

Gary Ray
December 21, 2015
Page 2

The following appraisal sets forth the most pertinent data gathered, the techniques employed, and the reasoning leading to the opinion of value. The analyses, opinions and conclusions were developed based on, and this report has been prepared in conformance with, the guidelines and recommendations set forth in the Uniform Standards of Professional Appraisal Practice (USPAP), the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute. It also conforms to Title XI Regulations and the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA) updated in 1994 and further updated by the Interagency Appraisal and Evaluation Guidelines promulgated in 2010.

The intended use and user of our report are specifically identified in our report as agreed upon in our contract for services and/or reliance language found in the report. No other use or user of the report is permitted by any other party for any other purpose. Dissemination of this report by any party to non-client, non-intended users does not extend reliance to any other party and CBRE will not be responsible for unauthorized use of the report, its conclusions or contents used partially or in its entirety.

It has been a pleasure to assist you in this assignment. If you have any questions concerning the analysis, or if CBRE can be of further service, please contact us.

Respectfully submitted,

CBRE - VALUATION & ADVISORY SERVICES



Jeff Ford, MAI
Vice President

AR State Certified General Appraiser No.
CG2798

www.cbre.com/jeff.ford

Phone: +1 479 442 7401 x. 6

Fax: +1 479 442 7806

Email: jeff.ford@cbre.com



Stephen Cosby, MAI, MRICS

Executive Vice President

Managing Director

AR State Certified General Appraiser No.
CG0197

www.cbre.com/stephen.cosby

Phone: +1 479 442 7401 x. 3

Fax: +1 479 442 7806

Email: steve.cosby@cbre.com



CBRE

				Insurable Value
INSURABLE VALUE				
Primary Building Type:	Apartment	Height per Story:	8'	
Effective Age:	20 YRS	Number of Buildings:	13	
Condition:	Fair/Average	Gross Building Area:	20,800 SF	
Exterior Wall:	Vinyl	Net Rentable Area:	20,800 SF	
Number of Units:	26	Average Unit Size:	800 SF	
Number of Stories:	1	Average Floor Area:	20,800 SF	
MVS Sec/Page				Sec-12/Page 31
Quality/Bldg. Class				Fair/D
Building Component				Duplexes
Component Sq. Ft.				20,800 SF
Base Square Foot Cost				\$65.34
Square Foot Refinements				
Heating and Cooling				\$5.00
Subtotal				\$70.34
Height and Size Refinements				
Number of Stories Multiplier				1.040
Height per Story Multiplier				1.000
Floor Area Multiplier				1.000
Subtotal				\$73.15
Cost Multipliers				
Current Cost Multiplier				1.00
Local Multiplier				0.94
Final Square Foot Cost				\$68.76
Base Component Cost				\$1,430,299
Base Building Cost	(via Marshall Valuation Service cost data)			\$1,430,299
Insurable Exclusions	10.0% of Total Building Cost			(\$143,030)
Indicated Insurable Value				\$1,287,269
Rounded				\$1,290,000
Value Per Unit				\$49,615
Compiled by CBRE				

EFFECTIVE GROSS INCOME MULTIPLIER ANALYSIS			
Sale No.	Occupancy	OER	EGIM
5	95%	28.13%	8.8
2	100%	30.09%	9.12
Subject	96%	30.13%	---
1	97%	33.46%	8.79
4	N/A	34.00%	8.31
3	89%	37.00%	6.62
Compiled by CBRE			

Generally speaking, as occupancy levels and expense ratios increase, EGIMs tend to decrease. Based upon this relationship, and given the subject’s stabilized occupancy and OER estimates, an EGIM towards the middle of the range is appropriate.

SALES COMPARISON APPROACH CONCLUSION

The following table presents the estimated value for the subject as indicated by the sales comparison approach.

SALES COMPARISON APPROACH				
Total Units	X	Value Per Unit	=	Value
26	X	\$40,547	=	\$1,054,222
26	X	\$47,368	=	\$1,231,568
EGI	X	EGIM	=	Value
\$143,520	X	8.3	=	\$1,191,216
\$143,520	X	8.8	=	\$1,262,976
VALUE CONCLUSION				
Indicated Stabilized Value				\$1,100,000
Indicated As Is Value				\$1,100,000
Rounded				\$1,100,000
Value Per Unit				\$42,308
Compiled by CBRE				

Reconciliation of Value

The value indications from the approaches to value are summarized as follows:

SUMMARY OF VALUE CONCLUSIONS	
Sales Comparison Approach	\$1,100,000
Income Capitalization Approach	\$1,200,000
Reconciled Value	\$1,200,000
Compiled by CBRE	

In valuing the subject, the income capitalization approach is considered most reliable and has been given primary emphasis as the subject is an income producing property. Secondary consideration was given to the sales comparison approach based on the quality of available data. The cost approach was omitted for reasons previously discussed.

Based on the foregoing, the market value of the subject has been concluded as follows:

MARKET VALUE CONCLUSION			
Appraisal Premise	Interest Appraised	Date of Value	Value Conclusion
As Is	Leased Fee Interest	December 14, 2015	\$1,200,000
Compiled by CBRE			

RESOLUTION NO. _____

**A RESOLUTION AUTHORIZING THE EXECUTION
OF A CONSTRUCTION CONTRACT
FOR THE EXTENSION OF MAPLE AVENUE
PROJECT NO. B18BPS2**

WHEREAS, sealed bids were received for the extension of Maple Avenue to Park Street, and

WHEREAS, Sweetser Construction, Inc. was the low bidder for this project at \$1,893,202.35.

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL
FOR THE CITY OF SPRINGDALE, ARKANSAS, that**

Section 1. The Mayor and City Clerk are hereby authorized to execute a contract with Sweetser Construction, Inc. for construction of an extension of Maple Avenue to Park Street for \$1,893,202.35.

Section 2. The Mayor is authorized to approve construction change orders as long as the cumulative total of the change orders does not exceed 10% of the original contract price.

PASSED AND APPROVED this 22nd day of October, 2019.

Doug Sprouse, Mayor

ATTEST:

Denise Pearce, City Clerk

APPROVED AS TO FORM:

Ernest B. Cate, City Attorney

[illegible]

SCHEDULE D																			
BID	SP	Trade and Excavation Safety Systems	1	L5	5	7,400.00	5	7,400.00	5	7,400.00	5	7,400.00	5	7,400.00	5	7,400.00	5	7,400.00	5
B3	SP	6" x 6" Trench Shoring & Vals	770	E/A	5	1,000.00	5	1,000.00	5	1,000.00	5	1,000.00	5	1,000.00	5	1,000.00	5	1,000.00	5
B3	SP	6" x 6" Trench Shoring & Vals	4	E/A	5	1,000.00	5	1,000.00	5	1,000.00	5	1,000.00	5	1,000.00	5	1,000.00	5	1,000.00	5
B5	SP	6" x 12" Trench Shoring	4	E/A	5	612.00	5	612.00	5	612.00	5	612.00	5	612.00	5	612.00	5	612.00	5
B5	SP	6" x 12" Trench Shoring	4	E/A	5	612.00	5	612.00	5	612.00	5	612.00	5	612.00	5	612.00	5	612.00	5
B6	SP	6" x 21" Trench Shoring	3	E/A	5	612.00	5	612.00	5	612.00	5	612.00	5	612.00	5	612.00	5	612.00	5
B7	SP	6" x 42" Trench Shoring	3	E/A	5	612.00	5	612.00	5	612.00	5	612.00	5	612.00	5	612.00	5	612.00	5
B8	SP	6" x 70" Trench Shoring	6	E/A	5	612.00	5	612.00	5	612.00	5	612.00	5	612.00	5	612.00	5	612.00	5
B9	SP	6" x 100" Trench Shoring	2	E/A	5	612.00	5	612.00	5	612.00	5	612.00	5	612.00	5	612.00	5	612.00	5
B10	SP	6" x 150" Trench Shoring	2	E/A	5	612.00	5	612.00	5	612.00	5	612.00	5	612.00	5	612.00	5	612.00	5
B11	SP	6" x 200" Trench Shoring	20	E/A	5	110.00	5	110.00	5	110.00	5	110.00	5	110.00	5	110.00	5	110.00	5
B12	SP	6" x 250" Trench Shoring	1	E/A	5	500.00	5	500.00	5	500.00	5	500.00	5	500.00	5	500.00	5	500.00	5
B13	SP	6" x 300" Trench Shoring	1	E/A	5	1,000.00	5	1,000.00	5	1,000.00	5	1,000.00	5	1,000.00	5	1,000.00	5	1,000.00	5
B14	SP	6" x 350" Trench Shoring	4	E/A	5	1,000.00	5	1,000.00	5	1,000.00	5	1,000.00	5	1,000.00	5	1,000.00	5	1,000.00	5
B15	SP	6" x 400" Trench Shoring	1	E/A	5	4,000.00	5	4,000.00	5	4,000.00	5	4,000.00	5	4,000.00	5	4,000.00	5	4,000.00	5
B16	SP	6" x 450" Trench Shoring	153	E/A	5	100.00	5	100.00	5	100.00	5	100.00	5	100.00	5	100.00	5	100.00	5
B17	SP	6" x 500" Trench Shoring	2	E/A	5	5,000.00	5	5,000.00	5	5,000.00	5	5,000.00	5	5,000.00	5	5,000.00	5	5,000.00	5
B18	SP	6" x 550" Trench Shoring	1	E/A	5	900.00	5	900.00	5	900.00	5	900.00	5	900.00	5	900.00	5	900.00	5
B19	SP	6" x 600" Trench Shoring	1	E/A	5	1,200.00	5	1,200.00	5	1,200.00	5	1,200.00	5	1,200.00	5	1,200.00	5	1,200.00	5
B20	SP	6" x 650" Trench Shoring	5	E/A	5	1,200.00	5	1,200.00	5	1,200.00	5	1,200.00	5	1,200.00	5	1,200.00	5	1,200.00	5
B21	SP	6" x 700" Trench Shoring	1	E/A	5	900.00	5	900.00	5	900.00	5	900.00	5	900.00	5	900.00	5	900.00	5
B22	SP	6" x 750" Trench Shoring	1	E/A	5	900.00	5	900.00	5	900.00	5	900.00	5	900.00	5	900.00	5	900.00	5
B23	SP	6" x 800" Trench Shoring	1	E/A	5	3,000.00	5	3,000.00	5	3,000.00	5	3,000.00	5	3,000.00	5	3,000.00	5	3,000.00	5
SUBTOTAL SCHEDULE D						144,652.00	5	144,652.00	5	144,652.00	5	144,652.00	5	144,652.00	5	144,652.00	5	144,652.00	5
GRAND TOTAL						1,655,065.00	5	1,655,065.00	5	1,655,065.00	5	1,655,065.00	5	1,655,065.00	5	1,655,065.00	5	1,655,065.00	5

2,123,843.21

RESOLUTION NO. _____

**A RESOLUTION AUTHORIZING THE EXECUTION
OF A CONSTRUCTION MANAGER CONTRACT
FOR PARKS & RECREATION CENTER REMODEL
PROJECT NO. CP 1904**

WHEREAS, Arkansas Statute 19-11-801 provides for the employment of a construction manager for public improvement projects, and

WHEREAS, Commerce Construction Company (CCC) has been recommended by the Mayor to serve as construction manager for the remodel of the Parks & Recreation Center; and

WHEREAS, CCC has agreed to furnish preconstruction services at no charge (unless the project is cancelled then the city will owe \$10,000) and construction services for 6% of construction costs.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL FOR THE CITY OF SPRINGDALE, ARKANSAS, that the Mayor is hereby authorized to execute a contract for construction manager services with Commerce Construction Company for services to be provided relating to the remodel of the Parks & Recreation Center.

PASSED AND APPROVED this 22nd day of October, 2019.

Doug Sprouse, Mayor

ATTEST:

Denise Pearce, City Clerk

APPROVED AS TO FORM:

Ernest B. Cate, City Attorney



September 27, 2019

Mr. Brad Baldwin, PE
Director of Engineering Department
City of Springdale
201 Spring Street
Springdale, AR 72764

Re: City Project No. 18BPS2 – Maple Avenue Extension
Recommendation of Award

Dear Mr. Baldwin:

Bids were received Tuesday, September 24, 2019 for the Maple Avenue Extension project. A total of six bids were received, with Sweetser Construction, Inc. the low bidder at \$1,893,202.35.

A copy of the certified bid tabulation showing the complete bids, is included for your reference, as is a copy of the Attendees Sign-In Sheet. The engineer's opinion of probable construction cost for the project, prior to receipt of bids, was \$1,665,806.00. Increases in the cost are related to the fencing requirements incorporated into the project in Addendum 2 and demolition of buildings.

We have reviewed the Statement of Bidders Qualifications submitted by Sweetser Construction, Inc. and based upon the information provided, we believe them to be qualified to successfully complete this project. Therefore, we recommend that the City award this contract to Sweetser Construction, Inc. in the bid amount of \$1,893,202.35.

The contract documents require the furnishing of 100 percent performance and payment bonds prior to authorization of the Notice to Proceed. Completion of the project is to be within 300 days from the date of the issuance of the Notice to Proceed.

If you have any questions, please do not hesitate to contact us.

Sincerely,
BURNS & McDONNELL

Steven K. Beam, PE
Transportation Business Manager

SRB:kl
enclosures

cc: Mr. Wyman Morgan – Director of Administration & Finance
Mr. Ryan Carr, PE – City Senior Project Manager
Mr. Rick Pulvirenti, PE – SWU COO/Director of Engineering

RESOLUTION NO. _____

**A RESOLUTION AUTHORIZING THE PURCHASE OF
PROPERTY LOCATED AT 418 SPRING STREET,
SPRINGDALE, WASHINGTON COUNTY, ARKANSAS.**

WHEREAS, David B. Moran currently owns property located at 418 Spring Street, Springdale, Washington County, Arkansas, Parcel Number 815-22923-000, ("the Property"), and more particularly described as follows:

STARTING AT THE SOUTHEAST CORNER OF LOT NUMBERED ONE (1) IN BLOCK NUMBERED TWO (2) OF HOLCOMB'S ADDITION TO THE TOWN (NOW CITY) OF SPRINGDALE, AND RUNNING, NORTH ALONG THE WEST SIDE OF SPRING STREET ONE HUNDRED TWENTY FIVE (125) FEET FOR A BEGINNING CORNER, THENCE RUNNING WEST ONE HUNDRED SEVENTY ONE (171) FEET, THENCE NORTH FIFTY (50) FEET, THENCE EAST ONE HUNDRED SEVENTY ONE (171) FEET TO THE WEST LINE OF SPRING STREET; THENCE SOUTH FIFTY (50) FEET TO THE BEGINNING.

WHEREAS, the owner has agreed to sell the Property to the City of Springdale for the total sum of \$84,000.00, said amount being based on the owner's appraisal, and is only \$4,000.00 more than the appraisal conducted by the City on the Property.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL FOR THE CITY OF SPRINGDALE, ARKANSAS that the Mayor is hereby authorized to execute all documents necessary for the acquisition of the Property in the amount of \$84,000.00, plus associated closing costs, to be paid from the proceeds of the sale of the City's properties on Spring Street through the Capital Improvement Program Fund.

PASSED AND APPROVED this _____ day of _____, 2019.

Doug Sprouse, Mayor

ATTEST:

Denise Pearce, City Clerk

APPROVED AS TO FORM:

Ernest B. Cate, City Attorney

CONTRACT OF SALE
OF REAL ESTATE

This Contract of Sale of Real Estate is made and entered into by and between David B. Moran (herein referred to as "Seller"), and the City of Springdale, Arkansas, (herein referred to as "Buyer"). Witnesseth:

In exchange for valuable consideration and the mutual covenants and agreements hereinafter set forth, the parties hereto do hereby agree as follows:

1. **PROPERTY**: The Seller agrees to sell and the Buyer agrees to purchase the following described tract of property (herein the "Property"), more commonly known as 418 Spring Street, Springdale, Arkansas, Washington County Parcel No. 815-22923-000, more particularly described as follows:

STARTING AT THE SOUTHEAST CORNER OF LOT NUMBERED ONE (1) IN BLOCK NUMBERED TWO (2) OF HOLCOMB'S ADDITION TO THE TOWN (NOW CITY) OF SPRINGDALE, AND RUNNING, NORTH ALONG THE WEST SIDE OF SPRING STREET ONE HUNDRED TWENTY FIVE (125) FEET FOR A BEGINNING CORNER, THENCE RUNNING WEST ONE HUNDRED SEVENTY ONE (171) FEET, THENCE NORTH FIFTY (50) FEET, THENCE EAST ONE HUNDRED SEVENTY ONE (171) FEET TO THE WEST LINE OF SPRING STREET; THENCE SOUTH FIFTY (50) FEET TO THE BEGINNING.

2. **PURCHASE PRICE**: The Buyer agrees to pay for said Property, and the Seller agrees to accept therefore, the total purchase price of Eighty Four Thousand Dollars (\$84,000.00) (herein referred to as the "Purchase Price");

3. **PAYMENT AND TERMS**: The Purchase Price as set forth in the foregoing paragraph shall be paid by the Buyer to the Seller in cash at the closing of this transaction.

4. **TITLE AND OTHER DOCUMENTS**: Conveyance shall be made to Buyer by general warranty deed (herein referred to as the "Deed") except it shall be subject to recorded restrictions and easements, if any.

5. **TITLE INSURANCE**: The parties agree that a title insurance commitment on said lands shall be obtained in the amount of the purchase price, with the expense of said policy of title insurance to be paid by Buyer. In the event there are exceptions or requirements in the title commitment, the Seller shall have 30 calendar days from the date she receives written notice of the exceptions or requirements from the title company in which to cure said exceptions. At the expiration of the 30 calendar days, or earlier, at the sole option of the Seller, the Seller may give written notice to Buyer that she is unable or unwilling to do so. In that event, Buyer is deemed to

have accepted the title policy as set forth in the title commitment unless Buyer gives written notice, within 10 calendar days of receiving Seller's notice, of its intent, to declare this Contract null and void as a permissible termination of this Contract, and thereafter neither party shall be liable to the other.

6. CONTINGENCIES: This sale is contingent upon the approval of the Springdale City Council.

7. TAXES: The parties agree that the real estate taxes on said Property shall be paid as follows: Real estate taxes for 2018 and prior years shall be paid by the Seller. Buyer is responsible for any real estate or property taxes for any subsequent time period.

8. ENVIRONMENTAL: Buyer shall have the right, within twenty (20) days of the date of this Contract, to have said lands and improvements inspected for violations of environmental regulations and geotechnical analysis by a qualified inspector or inspectors, to determine whether the Property is suitable for the development being proposed. If violations of environmental regulations are found or if it is verified by the geotechnical analysis that the existing conditions are unsatisfactory for the development being proposed, then Buyer may declare this Contract null and void.

9. WAIVER OF OBJECTIONS AND WARRANTIES OF SELLER: Upon closing, Buyer is deemed to have purchased the Property "as is" and waives any objections to title requirements; violation of environmental regulations with regard to the Property; condition of the Property and improvements or any other matters relating to this Contract, including any express or implied warranties of any nature. While Seller makes no representations or warranties of any kind to Buyer, Seller specifically does not warrant that the Property is fit or any particular purpose intended by the Buyer.

10. CLOSING: On or before thirty (30) calendar days from the date of this Agreement (which is defined as being the date of the last signatory), subject to the matters set forth above, this transaction shall be closed as follows: a) The Buyer shall pay to the Seller the total purchase price for the Property; b) Deed to said Property shall be delivered to the Buyer.

11. POSSESSION: The Seller agrees that Buyer shall have possession of the Property at closing.

12. REAL ESTATE COMMISSIONS: The parties represent to each other that no real

estate agent has been involved in this transaction and no real estate commission is due and owing to any person or entity.

13. NOTICES: For purposes of notices in writing to be given by one party to this Contract to the other, such notices shall be by personal service, Federal Express, or U.S. Certified Mail, Return Receipt Requested, postage prepaid, to the following addresses:

Seller: David B. Moran
418 Spring Street
Springdale, AR 72764

Buyer: Doug Sprouse, Mayor
Springdale City Hall
201 Spring Street
Springdale, AR 72764

14. WAIVER: Failure of either party hereto to exercise any options herein contained upon breach by the other, shall not constitute a waiver of that party's right to exercise such options upon future breach.

15. TIME OF ESSENCE: It is agreed that time is the essence of this Contract.

16. COMPLETE AGREEMENT: It is agreed that neither party hereto is relying upon any oral or written information or representations made by the other prior to the signing of this Contract unless expressly provided herein, and that this Contract constitutes the entire agreement between the parties, and same shall not be hereafter amended or modified unless reduced to writing and signed by the parties hereto.

17. COUNTERPARTS: This agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

18. NUMBER AND GENDER: Whenever necessary in this agreement and where the context admits, the singular term and the related pronoun shall include the plural and the appropriate gender.

19. BINDING EFFECT: This agreement shall be binding upon, and shall inure to the benefit of the parties hereto, their heirs, personal representatives, successors and assigns. The parties signing this Contract on behalf of the Seller, and the parties signing this Contract on behalf of the Buyers, do represent that they have full right and authority to sign same on behalf of the parties

which they represent, and that same will be legal and binding on the parties for which they have signed as a representative of that party.

20. PARAGRAPH HEADINGS: The paragraph headings inserted into this Contract are intended as a matter of convenience and for reference only, and in no way shall define, limit or describe the scope and nature of the subject matter contained therein. Words of any gender in this Contract shall include the other gender, and words in the singular number shall include the plural when the context requires.

21. BUYER AND SELLER'S OPPORTUNITY TO LEGAL COUNSEL: **BUYER AND SELLER ACKNOWLEDGE THEY HAVE HAD AMPLE OPPORTUNITY TO HAVE THIS AGREEMENT EXAMINED, AND LEGAL ADVICE GIVEN, BY AN ATTORNEY SELECTED BY BUYER AND SELLER BEFORE THIS AGREEMENT WAS SIGNED BY BUYER AND SELLER.**

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals as duly authorized and acting representatives of their respective parties to this contract, this _____ day of _____, 2019.

By: _____
David B. Moran, Seller

The duly authorized and acting Mayor of the City of Springdale, Arkansas, Doug Sprouse, and attested by its duly authorized and acting City Clerk of the City of Springdale, both of whom are authorized to bind the Seller to this Contract.

Doug Sprouse, Mayor

ATTEST: _____
Denise Pearce, City Clerk

STATE OF ARKANSAS)
COUNTY OF WASHINGTON)

ACKNOWLEDGMENT

BE IT REMEMBERED, that on this day, came before the undersigned, a Notary Public, within and for the County aforesaid, duly commissioned and acting David B. Moran, to me well known as the Seller in the foregoing Contract of Sale of Real Estate, and stated that he had executed the same for the consideration and purposes therein mentioned and set forth.

Witness my hand and seal as such Notary Public this _____ day of _____, 2019.

My Commission Expires

Notary Public

STATE OF ARKANSAS)
COUNTY OF WASHINGTON)

ACKNOWLEDGMENT

BE IT REMEMBERED, that on this day, came before the undersigned, a Notary Public, within and for the County aforesaid, duly commissioned and acting Doug Sprouse and Denise Pearce, to me well known as the Mayor and City Clerk for the City of Springdale, the Buyer in the foregoing Contract of Sale of Real Estate, and stated that they had executed the same for the consideration and purposes therein mentioned and set forth.

Witness my hand and seal as such Notary Public this _____ day of _____, 2019.

My Commission Expires

Notary Public

Rose Lawrence

From: Wyman Morgan
Subject: FW: 418 spring st

From: david moran [<mailto:dbm72764@gmail.com>]
Sent: Thursday, October 10, 2019 7:43 AM
To: wmorgan@springdalear.gov
Subject: 418 spring st

Wyman,

I have a few questions for you about the deal. My appraisal came in at 84K and would like to receive that, in your office when I picked up my offer you said some about 83K. It's not a huge difference but it would help me greatly in the upcoming move. I tried to attach the file to this email and couldn't figure out how to do it. Will get it printed and then to you. Also I'd like to do this by November 12th so I don't have to make that months payment.

I'm on a waiting list for a apartment in Fayetteville and they told me it won't be available until the end of November/ December. With the students still in town it's difficult to find anything that's open immediately, that's in my affordability. I'd like to stay until the apartment comes available and if it take a longer than January I can make different arrangements to have a place to live.

When I accept the offer how long till closing so I can pay the mortgage off and begin the process of packing and getting ready to move.
David